Washington State
Employment Security Department
John Spellman, Governor
Norward Brooks, Commissioner

prepared by the
Research & Analysis Branch
Olympia, WA 98504
(206) 753-5142

in cooperation with the
Bureau of Labor Statistics
and the Employment and
Training Administration
U.S. Department of Labor

Washington Labor Market

(This Publication Replaces the Labor Area Summary)

VOLUME 6, NUMBER 10 OCTOBER 1982

HIGHLIGHTS

A strong seasonal increase in employment between August and September lowered the total unemployment rate in Washington State from 11.9 to 10.9 percent. Numerically the number of jobless workers fell 19,500 from August to 218,900 in September. While the size of the decline in the jobless rate was significantly larger than usual for this time of the year, the September rate was still extremely high and well above the national rate of 9.7 percent. (Data are not seasonally adjusted.)

Recent declines in interest rates, slight improvements in housing starts and the upward trend in the Leading Economic Indicator series suggest that the current recession may be nearing an end.

	Sept. 1982*	Aug. 1982*	Sept. 1981
Civilian Labor Force	2,015,000	2,006,400	1,989,100
Employment	1,796,100	1,768,000	1,814,000
Unemployment	218,900	238,400	175,100
State Rate	10.9	11.9	8.8
National Rate	9.7	9.6	7.3

*Because of differences in the methodology for adjusting total employment and total unemployment to Current Population Survey data, estimates for these categories and for the civilian labor force in 1982 are not strictly comparable with those made in previous years. Data are not seasonally adjusted.

Even if this assessment is correct, however, seasonal factors will push unemployment levels higher in the state this fall and winter. Unemployment could fall slightly in October, but improved employment conditions will not become evident until spring.

Total employment moved up 28,100 between August and September with an increase of 22,000 in nonagricultural wage and salary payrolls accounting for most of the increase. Major factors responsible for the gain were the beginning of a new school year, the apple harvest, the usual September expansions at canneries and fruit-vegetable warehouses, and county and regional fairs. The reopening of public schools had a substantial effect on unemployment. Not only did it provide several thousand jobs, but it resulted in the withdrawal of several thousand youth from the labor force.

The number of nonagricultural wage and salary jobs was down 34,200 over the year at mid-September. While the year-to-year drop remained substantial, the comparison has improved considerably in recent months which is an indication that the recession is at least not becoming worse. At mid-March 1982, the year-to-year loss in nonfarm jobs was 51,300.

AREA DEVELOPMENTS

Unemployment rates declined in most of the state's counties between August and September, but the largest reductions occurred in eastern Washington areas where agriculture is highly important. Large reductions occurred in areas where the apple and potato harvests were underway. In major apple areas, Okanogan County's jobless rate plummeted from 20.7 to 13.7 percent, while the Wenatchee Labor Area (Chelan and Douglas counties) saw its rate fall from 17.6 to 11.0 percent. In potato growing areas, the jobless rate in Adams County dropped from 10.5 to 7.7 percent, while the rate in Grant County fell from 17.7 to 12.1 percent.

Western Washington lumber areas experienced more moderate reductions in unemployment between August and September. The rate in Grays Harbor County declined from 13.4 to 12.9 percent, while the rate in Lewis County fell from 15.0 to 12.2 percent.

Jobless rates in the state's metropolitan areas declined less than the one point statewide drop except for the Richland-Kennewick-Pasco (Tri-Cities) area and Yakima. In the Tri-Cities area the rate fell from 15.4 to 12.9 percent due to an increase in food processing, mainly potatoes. The rate in the Yakima area fell from 14.7 to 10.2 percent because of the apple harvest and a seasonal expansion in food processing. The rate for the Seattle-Everett area slipped from 10.7 to 10.0 percent. Bremerton was the only

metropolitan area where the rate did not decline in the August-September period. Its rate was unchanged, but at 8.2 percent it continued to have one of the lowest unemployment rates in the state.

MANUFACTURING EMPLOYMENT

Manufacturing employment in the state rose 3,300 between August and September, but all of the net increase could be accounted for by a seasonal expansion in canning. Employment at canneries jumped 4,100 over the month with major processing activities centered around potatoes, corn and other vegetables. Canning employment will also remain high in October when apple products will be a major processing activity. Lumber employment rose 600 in September to post the only other large increase in manufacturing. All of the gain resulted from a recall by one large employer. Recent sharp declines in interest rates for home mortgages promise to increase housing starts, which will boost the demand for lumber and, thus, lumber employment. Significant improvement is not expected before early spring, however, since little new home construction will occur in the fall and winter months. Hopefully, interest rates will remain at their current levels or decline further.

Elsewhere in manufacturing, trends continued on the negative side. Aerospace lost another 900 workers in September, bringing the net loss in the industry to 6,700 since January. Aluminum producers continued to trim staff with a loss of 300 in September and 1,500 since January. Pulp and paper mills also reduced employment by 300 in September. Temporary shutdowns have been common at several mills this year as firms adjust inventories to declining national demand. Demand for paper packaging products, of course, is highly dependent upon national economic activity. Recovery in this industry as well as in aerosapce, aluminum and most other Washington industries will not occur until the national recession ends.

The over-the-year comparison shows manufacturing employment down 17,200 at mid-September. As pointed out in previous reports this year, the comparison benefits from a 4,500 worker shift from services to aerospace in January because of a coding change. Adjusted for this shift, the actual loss in manufacturing jobs over the year was 21,700, a drop of 7 percent. Nearly one-half, 9,900, of this loss was in aerospace. Other large declines from September 1981 include lumber (off 3,200), aluminum (off 2,500) and losses of 1,200 each in machinery, food products, and pulp and paper. The only industry reporting a sizeable year-to-year gain was other durable goods (up 400) where employment in instruments expanded.

NONMANUFACTURING EMPLOYMENT

Public education employment moved up 14,300 in September with the beginning of a new school year. Most of the new employment reflected the rehiring of bus drivers, cafeteria workers, teaching aids and other noncertificated workers who were terminated at the end of the school year. Other state and local government employment declined by 1,400 in September. State and local government workers losing jobs included park, playground and other summer workers. The Federal Government also terminated many of its summer workers at parks and forests in September, and Federal civilian payrolls dropped 2,200.

Services added 4,100 workers in September with normal seasonal gains in amusements due to fairs held throughout the state and because of increases in private education employment with the beginning of the new school year. Fairs and the new school year were also major factors in a 2,000 job gain in retail trade. The major area of increase was at eating and drinking places. Fair food concessions fall into this category as do firms which contract with schools to provide food services. Approximately 400 of the 700 increase in transportation, communications and utilities was also related to the reopening of schools, since some school districts contract out their transportation services. A 1,900 job increase in wholesale trade in September largely resulted from higher seasonal employment at wholesale warehouses handling fruits and vegetables.

Construction employment was virtually unchanged between August and September, but in the latter month was down 14,200 over the year. The drop over the 12-month period reflects the termination or suspension of work on three nuclear power plants, and a low level of commercial and residential construction. With sharply lower interest rates in recent weeks, homebuilding, at least, should pick up next spring if interest rates hold their current levels or decline further. Few new homes will be started this fall or winter, however, because of weather conditions. An upturn in non-nuclear commercial building will likely not occur before recovery is underway in the overall economy and business profitability is improved.

Other sizeable year-to-year losses in the nonmanufacturing industries included a drop of 2,700 in transportation-communications-utilities and 2,600 in trade. Government civilian payrolls were down 2,200 from September 1981 with 1,700 of the drop on the Federal level. State and local government employment was down only 500 from September 1981 but was 13,400 lower than in September 1980.

WEEKLY EARNINGS AVERAGE $441.13

Average weekly earnings of manufacturing production workers in Washington State slipped $5.42 from July to average $441.13 in August. Weekly hours dropped one-tenth

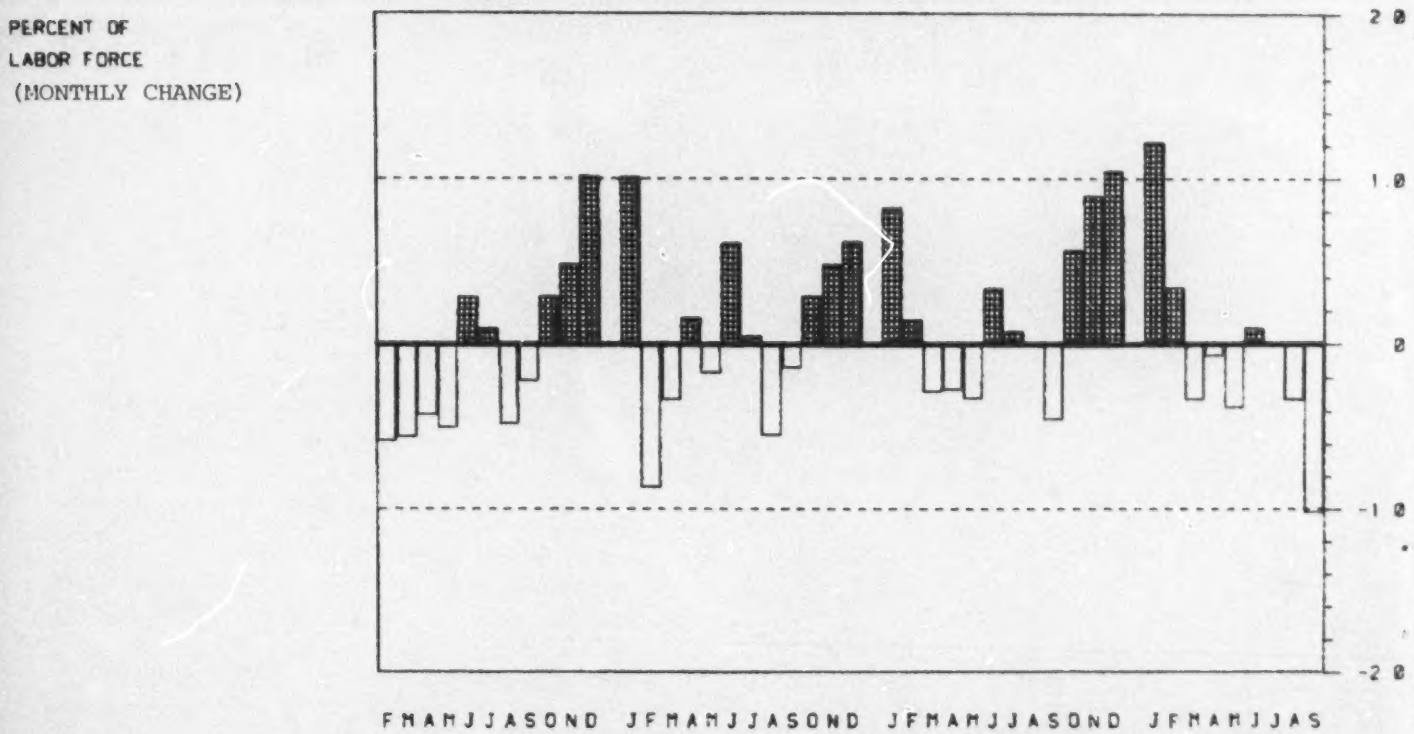
hour to average 38.9 hours, while hourly earnings fell 11 cents to average $11.34. Over the year, however, weekly pay advanced $35.63, or 9 percent, with a half-hour increase in the work week and a 78 cent gain in hourly pay.

Major changes between July and August included a sharp drop in hours in lumber from an unusually high July level. Weekly hours fell from 41.6 to 37.7. Average hourly earnings of lumber workers also dropped with less overtime, and average weekly pay plunged $60.51 to average $424.13. By contrast, weekly hours in aluminum jumped from 39.6 to 42.5 despite employment reductions. As a result, weekly pay rose $41.19 to average $539.75 for aluminum workers still on the job. Weekly hours also advanced in the food industry, but due to seasonal factors in this case. The average work week rose from 36.6 to 39.0 hours and weekly pay advanced $27 to average $391.17.

WASHINGTON STATE EMPLOYMENT SECURITY DEPARTMENT

UNEMPLOYMENT IN WASHINGTON

[JANUARY 1979 - SEPTEMBER 1982]



NONAGRICULTURAL WAGE AND SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK 1/

(In Thousands)

NOT SEASONALLY ADJUSTED

	Sep. 1982 (Prel.)	Aug. 1982 (Rev.)	Sep. 1981	Aug. 1981	Change Aug. 82 to Sep. 82	Change Sep. 81 to Sep. 82
TOTAL NONAG. WAGE AND SALARY.....	1,572.0	1,550.0	1,606.2	1,589.6	+22.0	-34.2
TOTAL MANUFACTURING.....	291.9	288.6	309.1	304.7	+3.3	-17.2
Durable Goods.....	203.2	203.7	217.7	217.0	-0.5	-14.5
Lumber & Wood Products.....	42.5	41.9	45.7	44.9	+0.6	-3.2
Furniture & Fixtures.....	2.9	2.8	3.1	3.1	+0.1	-0.2
Stone, Clay, & Glass Prod.....	6.2	6.2	6.7	6.7	0	-0.5
Primary Metal Industries.....	12.6	4/12.8	4/15.9	16.2	-0.2	-3.3
Aluminum Prod. & Processing...	8.1	8.4	10.6	10.6	-0.3	-2.5
Fabricated Metal Products.....	11.2	11.2	11.6	11.5	0	-0.4
Machinery.....	24.8	25.0	26.0	25.9	-0.2	-1.2
Machinery exc. Electrical.....	14.4	14.5	15.1	15.2	-0.1	-0.7
Electrical & Electronic Equip.	10.4	10.5	10.9	10.7	-0.1	-0.5
Transportation Equipment 5/....	90.8	91.6	96.9	97.0	-0.8	-6.1
Aerospace 5/.....	72.8	73.7	78.2	78.9	-0.9	-5.4
Other Transp. Equipment.....	18.0	17.9	18.7	18.1	+0.1	-0.7
Other Durable Goods 2/.....	12.2	12.2	11.8	11.7	0	+0.4
Nondurable Goods.....	88.7	84.9	91.4	87.7	+3.8	-2.7
Food & Kindred Products.....	35.1	31.1	36.3	33.0	+4.0	-1.2
Canned & Preserved Foods.....	14.8	10.7	15.8	12.6	+4.1	-1.0
Apparel & Other Text. Prod.....	5.6	5.4	5.5	5.2	+0.2	+0.1
Paper & Allied Products.....	16.1	16.4	17.3	17.4	-0.3	-1.2
Printing & Publishing.....	15.3	15.4	15.7	15.5	-0.1	-0.4
Chemicals & Allied Products....	9.4	9.4	9.3	9.3	0	+0.1
Other Nondurable Goods 3/.....	7.2	7.2	7.3	7.3	0	-0.1
MINING & QUARRYING.....	3.0	3.0	3.3	3.3	0	-0.3
CONSTRUCTION.....	77.9	78.0	92.1	92.6	-0.1	-14.2
TRANS. & PUBLIC UTILITIES.....	87.8	4/87.1	90.5	90.9	+0.7	-2.7
WHOLESALE & RETAIL TRADE.....	388.4	384.5	4/391.0	4/387.1	+3.9	-2.6
Wholesale Trade.....	102.4	100.5	4/104.1	4/102.8	+1.9	-1.7
Retail Trade.....	286.0	284.0	286.9	284.3	+2.0	-0.9
FIN., INS., & REAL ESTATE.....	91.8	92.4	91.8	92.1	-0.6	0
SERVICES 5/.....	327.4	4/323.3	322.4	319.4	+4.1	+5.0
GOVERNMENT.....	303.8	293.1	306.0	4/299.5	+10.7	-2.2
Federal.....	65.0	67.2	66.7	4/67.6	-2.2	-1.7
State & Local.....	238.8	225.9	239.3	231.9	+12.9	-0.5
Education.....	121.6	107.3	4/122.4	108.5	+14.3	-0.8
(WORKERS IN LABOR-MANAGEMENT DISPUTES).....	0.0	0.3	1.0	0.4	-0.3	-1.0

Prepared in cooperation with the U.S. Bureau of Labor Statistics and the Employment and Training Administration.

1/ Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during pay period including the 12th of the month.
2/ Includes instruments and related products and miscellaneous manufacturing activities.
3/ Includes textile mill products, rubber and miscellaneous plastics products, petroleum refining and related products, and leather products.
4/ Excludes workers involved in labor-management disputes.
5/ Data prior to January 1982 is no longer comparable due to a break in the series.

Washington State
Employment Security Department

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

(Not Seasonally Adjusted)

Date Oct. 27, 1982

Benchmark 1981

John Spellman, Governor
Norward J. Brooks, Commissioner

	September 1982 Preliminary 3/				August 1982 Revised				September 1981 Revised			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State Total 1/	2,015,000	1,796,100	218,900	10.9	2,006,400	1,768,000	238,400	11.9	1,989,100	1,814,000	175,100	8.8
Seattle-Everett SMSA	882,800	794,300	88,500	10.0	881,500	787,500	94,000	10.7	862,100	795,200	66,900	7.8
King County	693,800	625,500	68,300	9.8	693,100	621,200	72,900	10.5	678,200	626,300	51,900	7.7
Tacoma SMSA	187,200	164,800	22,400	12.0	183,600	161,100	22,500	12.3	179,800	162,900	16,900	9.4
Spokane SMSA	149,400	131,500	17,900	12.0	147,400	129,400	18,000	12.2	148,100	134,300	13,800	9.3
Tri-Cities Area 2/	79,070	68,860	10,210	12.9	90,260	67,930	12,330	15.4	83,270	76,070	7,200	8.6
Yakima SMSA	91,500	82,140	9,360	10.2	90,570	77,240	13,330	14.7	94,540	85,570	8,970	9.5
Adams	7,100	6,550	550	7.7	7,340	6,570	770	10.5	7,170	6,660	510	7.1
Asotin	8,450	7,520	930	11.0	8,410	7,450	960	11.4	8,330	7,570	760	9.1
Wenatchee Labor Area 2/	38,000	33,820	4,180	11.0	38,720	31,900	6,820	17.6	36,660	33,100	3,560	9.7
Clallam	20,300	16,970	3,330	16.4	19,800	16,740	3,060	15.5	20,280	16,960	3,320	16.4
Clark	94,330	84,130	10,200	10.8	94,190	83,860	10,330	11.0	91,480	83,820	7,660	8.4
Columbia	1,800	1,580	220	12.2	1,940	1,710	230	11.9	2,010	1,820	190	9.5
Cowlitz	33,930	28,530	5,400	15.9	32,470	26,940	5,530	17.0	35,140	30,960	4,180	11.9
Ferry	2,600	2,120	480	18.5	2,520	2,030	490	19.4	2,920	2,490	430	14.7
Garfield	1,180	1,110	70	5.9	1,170	1,110	60	5.1	1,100	1,040	60	5.5
Grant	22,620	19,890	2,730	12.1	22,940	18,890	4,050	17.7	21,860	19,510	2,350	10.8
Grays Harbor	33,400	29,080	4,320	12.9	33,580	29,090	4,490	13.4	35,610	31,500	4,110	11.5
Island	14,010	12,560	1,450	10.3	14,310	12,890	1,420	9.9	13,460	12,320	1,140	8.5
Jefferson	6,760	6,090	670	9.9	6,670	5,960	710	10.6	6,850	6,200	650	9.5
Bremerton SMSA	61,970	56,890	5,080	8.2	61,220	56,220	5,000	8.2	58,870	54,670	4,200	7.1
Kittitas	10,080	9,030	1,050	10.4	9,750	8,640	1,110	11.4	10,050	9,070	980	9.8
Klickitat	7,140	6,180	960	13.4	7,520	6,250	1,270	16.9	7,300	6,520	780	10.7
Lewis	23,670	20,780	2,890	12.2	23,900	20,310	3,590	15.0	23,700	20,780	2,920	12.3
Lincoln	4,090	3,930	160	3.9	4,290	4,120	170	4.0	4,120	3,790	330	8.0
Mason	10,690	9,490	1,200	11.2	10,590	9,360	1,230	11.6	11,260	10,230	1,030	9.1
Okanogan	18,420	15,900	2,520	13.7	17,470	13,850	3,620	20.7	18,680	15,950	2,730	14.6
Pacific	7,230	6,280	950	13.1	7,340	6,320	1,020	13.9	7,550	6,680	870	11.5
Pend Oreille	3,040	2,350	690	22.7	3,140	2,350	790	25.2	3,400	2,830	570	16.8
San Juan	4,350	4,140	220	5.0	4,010	3,760	250	6.2	3,670	3,420	250	6.8
Skagit	33,240	29,050	4,190	12.6	34,050	29,890	4,160	12.2	32,870	29,310	3,560	10.8
Skamania	3,250	2,670	580	17.8	3,130	2,480	650	20.8	3,400	2,870	530	15.6
Stevens	11,420	9,600	1,820	15.9	11,500	9,570	1,930	16.8	11,690	10,070	1,620	13.9
Olympia SMSA	53,310	47,340	5,970	11.2	54,070	47,850	6,220	11.5	54,240	48,990	5,250	9.7
Wahkiakum	1,370	1,290	80	5.8	1,360	1,260	100	7.4	1,540	1,360	180	11.7
Walla Walla	25,120	23,320	1,800	7.2	24,430	22,290	2,140	8.8	24,790	23,230	1,560	6.3
Bellingham SMSA	48,120	42,900	5,220	10.8	47,580	42,150	5,430	11.4	46,690	42,130	4,560	9.8
Whitman	14,020	13,380	640	4.6	13,740	13,050	690	5.0	14,710	14,180	530	3.6

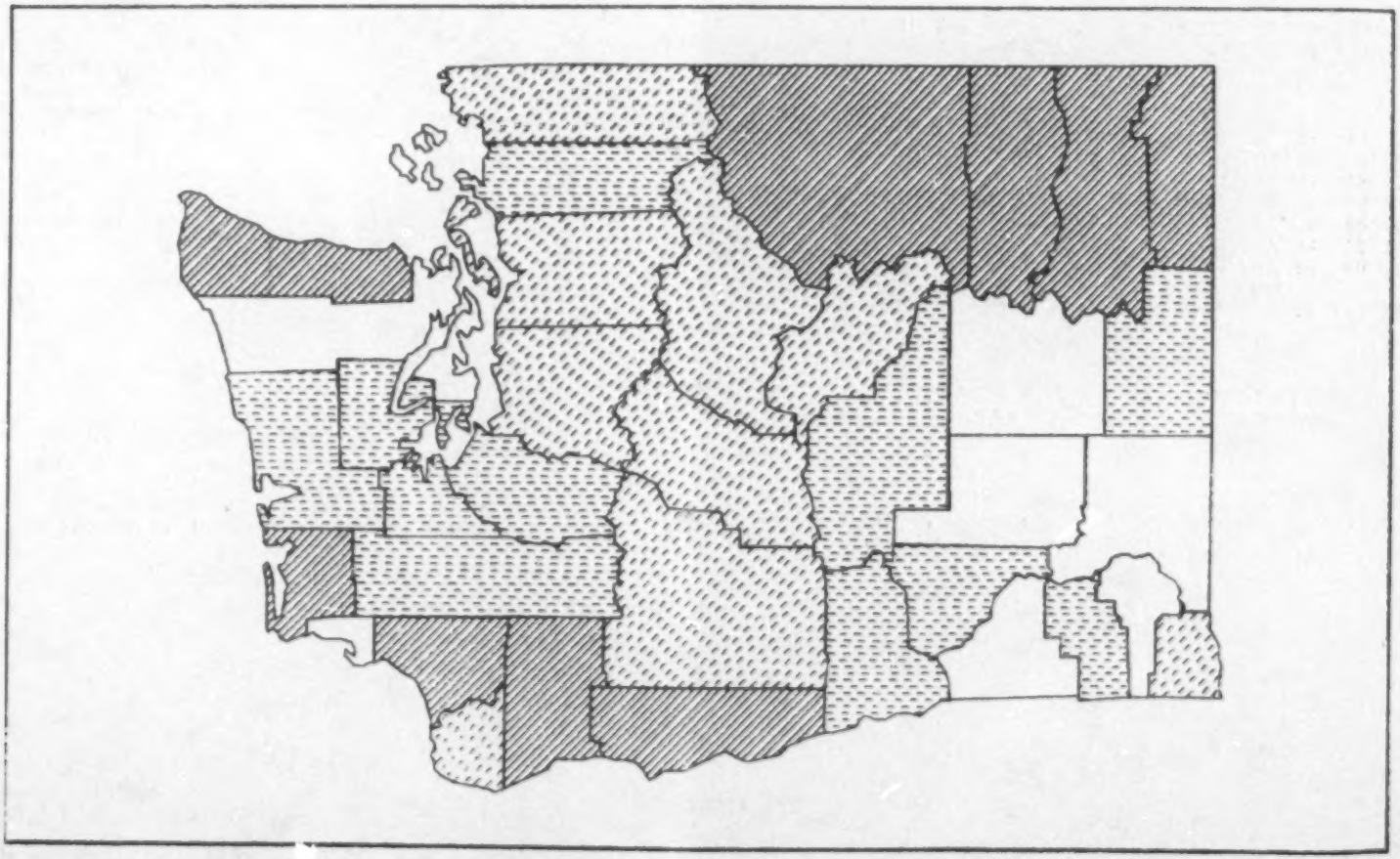
1/ Detail may not add due to rounding.
2/ The Tri-Cities area includes all of Benton and Franklin counties. The Wenatchee Labor Area includes all of Chelan and Douglas counties.
3/ Estimates for the state and labor market areas are not strictly comparable with those for prior years because the methodology used to develop current year estimates differs from that used in developing final estimates.

Research and Analysis Branch

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	Aug. 1982 Prod. or Nonsup. Workers	Average Weekly earnings			Average Weekly Hours			Average Hourly earnings		
		Aug. 1982	Jul. 1982	Aug. 1981	Aug. 1982	Jul. 1982	Aug. 1981	Aug. 1982	Jul. 1982	Aug. 1981
TOTAL MANUFACTURING INDUSTRIES	187,100	$441.13	$446.55	$405.50	38.9	39.0	38.4	$11.34	$11.45	$10.56
Lumber and wood products	38,400	424.13	484.64	385.93	37.7	41.6	35.9	11.25	11.65	10.75
Primary metal industries	9,800	539.75	498.56	478.74	42.5	39.6	39.5	12.70	12.59	12.12
Fabricated metal products	8,200	482.36	491.93	423.70	39.7	39.8	38.8	12.15	12.36	10.92
Machinery 1/	15,700	346.94	345.17	337.81	38.0	37.6	38.3	9.13	9.18	8.82
Transportation equipment	41,500	515.41	508.56	492.47	39.8	39.7	40.7	12.95	12.81	12.10
Food and kindred products	23,500	391.17	364.17	343.57	39.0	36.6	39.4	10.03	9.95	8.72
Chemicals and allied products	4,700	436.16	498.29	442.39	41.2	42.3	41.0	11.80	11.78	10.79
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	59,300	649.87	670.49	630.60	35.3	36.4	36.2	18.41	18.42	17.42
Wholesale and retail trade	235,500	316.44	315.92	297.49	36.0	35.9	35.5	8.79	8.80	8.38

1/ Data prior to January 1982 is no longer comparable due a break in the series.


OVER 12.9
11.2 - 12.9
10.0 - 11.1
UNDER 10.0
September
Unemployment